



Montana Department of
Labor and Industry
PO Box 1728
Helena MT 59624-1728

Report to the
□ Governor
□ Legislature
□ Citizens of Mon-
tana

It is with great pride that I present to you the 2004 Annual Report of the Montana Department of Labor and Industry. This Department carries out a wide range of functions and responsibilities designed to keep Montanans safe, connect them to job opportunities, support Montana businesses, and protect citizens through a variety of regulatory functions.

The Department of Labor and Industry serves as an employment agency, collects and disburses state unemployment trust funds, compiles and distributes employment statistics, provides training and technical assistance, disseminates labor market information, and oversees federal and state training and apprenticeship programs. The department adopts and enforces building, plumbing, mechanical, electrical, energy, elevator and boiler codes; provides professional, administrative, clerical and compliance support for 37 professional and occupational licensing boards and programs; and assures the accuracy of weighing and measuring devices used in making commercial transactions in Montana.

The department enforces federal and state labor standards laws, state wage and hour laws, contractor registration, provides adjudicative services in labor and benefit claims disputes, enforces state and federal anti-discrimination laws, performs workers' compensation and safety regulatory duties, and coordinates wide-ranging community service and volunteer efforts statewide.

Labor and Industry is Montana's fifth largest state agency, and I can tell you with certainty that the staff in this agency rank among the best public employees in the country. During my tenure as Commissioner, I have seen them embrace our agency values of customer focus, individual growth, individual responsibility, ethics in the workplace, and continuous improvement. The functions of the agency are diverse, but the common threads throughout our work are these core values, and the results achieved by using these guiding principles in our work allow us to serve our customers well, approach challenges creatively, and to proactively seek opportunities that are good for Montanans.

Wendy J. Keating
Commissioner

Workers' Compensation Court

The Workers' Compensation Court provides a fair, efficient, and effective forum for the resolution of disputes arising under the Montana Workers' Compensation Act and the Occupational Disease Act.

The 44th Legislative Assembly created the Office of the Workers' Compensation Court in 1975. Subsequent legislatures have increased the Court's exclusive jurisdiction to include matters such as disputes involving independent contractor exemptions and enforcement of the Department of Labor and Industry's investigatory powers.

The Honorable Mike McCarter serves as the Workers' Compensation Judge. The Workers' Compensation Judge must have the same qualifications necessary to hold office of district court judge. Statute grants the judge all of the privileges and other emoluments afforded a district court judge. The judge is appointed by the Governor from a list of nominees submitted by the Judicial Nomination Commission, and serves a six-year term.



Honorable Mike
McCarter

Human Rights Commission

The Human Rights Commission is designated as a quasi-judicial board, whose purpose is to uphold the laws of the State of Montana regarding discrimination.

Montana's Human Rights laws make it unlawful to discriminate in credit, education, employment, financing, housing, state and local government services and employment, insurance (sex and marital status only), and public accommodations, because of age, familial status (housing only), marital status, national origin, physical or mental disability, political beliefs or ideas (governmental services and employment only), race/color, religion/creed, and sex (including pregnancy, maternity, and sexual harassment).

The Commission hears appeals from decisions of hearings bureau examiners and objections to decisions of the Human Rights Bureau to dismiss complaints.

Commission members are Gary Hindoi, Chair; Arleah Shechtman, Ryan Rusche, and Jack Copps.

Commission on Community Service

The Montana Commission on Community Service seeks to renew the ethic of civic responsibility by:

- Encouraging citizens of all ages and backgrounds to engage in service.
- Involving youth in the life and work of communities.
- Expanding service opportunities in Montana.

The Commission is a diverse, non-partisan, Governor-appointed body representing a broad cross-section of community service interests and statewide leadership in Montana. The Commission's administrative arm, the Governor's Office of Community Service, is administratively attached to the Department of Labor and Industry, and is funded by the Corporation for National and Community Service, the State of Montana, and various private donations.

Under the direction of the Commission, the Office of Community Service has the primary responsibility of administering the AmeriCorps State national service program in Montana. Each year, the Commission selects AmeriCorps programs to be included in Montana's annual application to the Corporation for National and Community Service, and oversees programs that are funded.

Board of Personnel Appeals

The Board of Personnel Appeals is a five-member, quasi-judicial board charged with providing appellate level review for matters involving the Collective Bargaining Act for Public Employees. The Board also serves as the appellate board for grievances involving Fish, Wildlife, and Parks and the Department of Transportation employees, as well as wage and classification appeals by employees of the State of Montana.

Members of the Board are appointed by the Governor. By statute, membership comprises an equal number of management and labor representatives, a presiding officer with knowledge of labor relations, and alternate members for management and labor.

Current members are: Jack Holstrom, Chair; Mike O'Neill and Steve Johnson, management representatives; Tom Schneider and Jay Reardon, labor representatives; and alternate members Pat Dudley, management; Joe Dwyer, labor; and Alan Joscelyn, alternate chair.



**Jim Brown,
Administrator
406-841-2240**

The Business Standards Division establishes and enforces minimum building standards; provides administrative support to 32 governor-appointed boards charged with regulating professions and occupations, and licensing individuals in a total of 37 occupations; and inspecting and certifying weighing and measuring devices used in commercial transactions.

Building Codes Bureau
Tim Lloyd, Bureau Chief
406-841-2058

Business & Occupational
Licensing Bureau
Jill Caldwell, Bureau Chief
406-841-2302

Health Care Licensing Bureau
Lisa Addington, Bureau Chief
406-841-2303

Weights & Measures Bureau
Jack Kane, Bureau Chief
406-841-2241

2003-2004 Highlights

- Expanded e-government capabilities to allow on-line professional and occupational license renewal for 27 boards and programs, and placed building codes permit applications online for convenient downloading, 24 hours per day, 7 days per week.
- Provided building codes classes, at no charge to attendees, to 524 builders, design professionals, contractors, and code officials in FY 2004.
- Re-organized the Health Care Licensing Bureau and the Business and Occupational Licensing Bureau to streamline and standardize processes, which will improve efficiency and customer service.
- The Building Codes Bureau issued 24,957 building, plumbing, mechanical, electrical, elevator, and boiler permits and certificates in 2004, and completed 56,300 inspections.
- Issued nearly 80,000 new and renewed professional licenses in FY 2003, and over 88,000 in FY 2004.
- The Weights and Measures Bureau issued 22,000 licenses for scales, pumps/meters, and LPG meters in FY 2004, and completed 19,800 tests, inspections, and certifications.

2005-2006 Priorities

- Continue to increase e-government capabilities in professional and occupational licensing, and building codes permitting.
- Standardize policies, procedures, and business forms in both licensing bureaus.
- Move the remaining 15% Weights and Measures device licensing renewal and fee collection services to the One-Stop program.

Health Care Licensing Boards

- Alternative Health Care
 - Chiropractors
 - Clinical Lab Scientists
 - Dentistry
 - Funeral Services
 - Hearing Aid Dispensers
 - Medical Examiners
 - Nursing
 - Nursing Home Administrators
 - Occupational Therapists
 - Optometry
 - Pharmacy
 - Physical Therapy
 - Radiologic Technologists
 - Respiratory Care Practitioners
 - Social Work Examiners & Professional Counselors
 - Speech-Language Pathologists
 - Veterinary Medicine
- Program:**
Licensed Addiction Counselors

**Business & Occupational
Licensing Boards**

- Architects
 - Athletics
 - Barbers & Cosmetologists
 - Electrical
 - Outfitters
 - Professional Engineers & Land Surveyors
 - Plumbers
 - Public Accountants
 - Realty Regulation
 - Real Estate Appraisers
 - Sanitarians
 - Private Security Patrol Officers & Investigators
 - Landscape Architects
- Programs:**
Boiler Operators
Crane Operators
Construction Blasters
Fire Prevention Installers

Additional information about the licensing boards and programs, including performance indicators required by 37-1-106, MCA, is available on the Internet at <http://discoveringmontana.com/dli/bsd/index.asp>. If you need this information in an alternative format, please contact the Business Standards Division at (406) 841-2240.

Employment Relations Division

Human Rights Bureau Katherine Kountz, Bureau Chief 406-444-4344	Labor Standards Bureau John Andrew, Bureau Chief 406-444-4619
Management Services Bureau Mary Beth Linder, Bureau Chief 406-444-1576	Safety Bureau John Maloney, Bureau Chief 406-444-1576
Workers' Compensation Claims Assistance Bureau Diana Ferriter, Bureau Chief 406-444-4661	Workers' Compensation Regulations Bureau Keith Messmer, Bureau Chief 406-444-6541

2003-2004 Highlights

- Over 400 attendees at the 2004 Governor's Conference on Workers' Compensation and Occupational Health and Safety.
- 96% of first report of Workers' Compensation injuries and 98% of subsequent reports were submitted electronically.
- Successful implementation of the new physical medicine fee schedule.
- Successful mediation of the Billings school strike and 94 other public sector disputes.
- 909 people attended Montana Safety Institute courses in 2003; 773 people attended in 2004.

2005-2006 Priorities

- Expand e-government capabilities for on-line registration of construction contractors and independent contractors.
- Address the impact of the federal Section 541 overtime regulations on Montana.
- Develop capability for electronic direct reporting of mandated workers' compensation policy information.



**Jerry Keck,
Administrator
406-444-6543**

The Employment Relations Division has general regulatory responsibilities relating to the employer-employee relationship, including education, enforcement, and dispute resolution for workers' compensation, workplace safety, human rights, wage and hour, prevailing wage, and collective bargaining.

The Board of Personnel Appeals and the Human Rights Commission are administratively attached to the Department and staffed by the Employment Relations Division. These agencies hear formal appeals of disputes that cannot be resolved informally at the Division level.

Workforce Services Division

Job Service Field Operations & Programs Bureau Gordon Higgins, Bureau Chief 406-444-2607	Research & Analysis Bureau Todd Younkin, Bureau Chief 406-444-2430
Statewide Workforce Programs Bureau Gary Warren, Bureau Chief 406-444-2416	Workforce Technology Bureau Cathy Shenkle, Bureau Chief 406-444-1576

2003-2004 Highlights

- Re-alignment of the Division, resulting in consolidation of local Job Service management from 17 to 14 for the 23 offices across the state, and merging the Job Service Operations Bureau with the Job Service Programs Bureau.
- Participation in the National Business Engagement Consortium, a federally-funded pilot project to design and test outreach methods to business customers, and increase awareness and use of the publicly-funded workforce system.
- Development and launch of the Workforce Informer website, which provides customized on-demand labor market information.
- Jobs for Montana's Graduates program received two national awards: 1st Place, Highest Graduation Rate in the United States; 2nd Place, Highest Percentage of Jobs for America's Graduates attending postsecondary education.
- Received incentive funds for exceeding Workforce Investment Act performance standards.

2005-2006 Priorities

- Continue to maintain customer focus and high quality services while dealing with dwindling resources.
- Provide meaningful labor market information and employment statistics.
- Continue to look for opportunities to establish and maintain viable partnerships with education, economic development, and other entities with commonly shared interests.



**Ingrid Childress,
Administrator
406-444-4100**

The Workforce Services Division operates a system of Job Service Workforce Centers throughout the state to help maintain a stable economy through various services including job placement, training, counseling, testing, and business advocacy services.

In addition, this Division administers Workforce Investment Act training programs, apprenticeship, Jobs for Montana's Graduates, and the Displaced Homemaker Program. The Division's Research and Analysis Bureau provides statistical analysis of various trends and information related to employment in Montana.

Unemployment Insurance Division

Benefits Bureau
Roy Mulvaney, Bureau Chief
406-444-3303

Contributions Bureau
Sandy Bay, Bureau Chief
406-444-3302

Claims Processing Bureau
Shirley Rush, Bureau Chief
406-444-0888

Program Support Bureau
Joanne Loughney-Finstad, Bureau Chief
406-444-2747

2003-2004 Highlights

- In FY 2004, Montanans received \$89,578,804 in unemployment insurance benefits, and filed 63,044 claims.
- Temporary Extended Unemployment Compensation (TEUC) ended December 31, 2003. \$11,765,562 was paid to Montana claimants in calendar year 2003. Since inception in March 2002, over \$25 million has been paid out in Montana.
- Health Coverage Tax Credit program was instituted as provided in the Federal Trade Reform Act of 2002. Approximately 150 trade-affected dislocated workers are using the program.
- Unemployment Insurance Tax program successfully moved from Department of Revenue back to Department of Labor and Industry, completed July 1, 2004.
- Developing an Internet application to allow online filing for unemployment insurance benefit claims.
- In a September 2003 customer satisfaction survey, over 81% of customers reported they were very satisfied or satisfied with service received from the Unemployment Insurance call centers.

2005-2006 Priorities

- Completion of final components of Unemployment Insurance Tax software.
- Completion of Internet Claims project.
- Continuous improvement of customer satisfaction and performance on federal timeliness and quality standards in both contributions and benefits areas.



**Keith Kelly,
Administrator
406-444-3783**

The Unemployment Insurance Division administers Montana's unemployment insurance program in accordance with state laws and federal guidelines.

The Division provides short-term economic assistance to eligible workers from the Montana Unemployment Insurance Trust Fund, which is financed by employers.

Unemployment Insurance benefits are paid to lighten the burden of unemployment to the individual while seeking work, to maintain purchasing power in the community, and to allow laid-off employees to remain in the area so they will be available for re-employment.

Centralized Services Division

Fiscal Support Bureau
Bernadine Warren, Bureau Chief
406-444-3251

Hearings Bureau
Anne MacIntyre, Bureau Chief
406-444-4342

Technical Support Bureau
Judy Kelly, Bureau Chief
406-444-1870

2003-2004 Highlights

- Provided timely, impartial adjudication services for 1,266 cases in FY 2003 and 1,555 in FY 2004.
- Completed the Branding DLI project to improve customer support capabilities through common navigation and search functions which resulted in a significant increase in web traffic.
- Streamlined travel and procurement processes to better serve DLI customers.

2005-2006 Priorities

- Continue to provide timely, impartial adjudication services in up to 1,500 cases.
- Develop comprehensive hearing rules.
- Provide a fully supported development/test/production database environment for Department Oracle applications.



**Tammy Peterson,
Administrator
406-444-2840**

The Centralized Services Division provides necessary support in the areas of administrative hearings, information and technical services, and accounting and budgeting to the Department's divisions and administratively attached entities.

The Hearings Bureau holds administrative hearings and provides dispute resolution services.

The Technical Services Bureau works as a team to maintain the integrity and availability of computerized information systems by providing mutual, coordinated support regarding automation requirements.

The Fiscal Support Bureau is a centralized accounting/budget team that provides support to the divisions of the Department.